

## **APPENDIX F**

### **BUDGET, FINANCE AND APPROPRIATIONS POLICY**

- SECTION 1. GENERAL.
- SECTION 2. JURISDICTION.
- SECTION 3. FINANCIAL PLANNING.
- SECTION 4. ENTITY FORECASTS.
- SECTION 5. BUDGET DEVELOPMENT.
- SECTION 6. BUDGET SUBMISSION.
- SECTION 7. SUPPLEMENTAL BUDGET SUBMISSION.
- SECTION 8. BUDGET IMPLEMENTATION.
- SECTION 9. EVALUATION OF MAJOR FINANCIAL PROPOSALS.
- SECTION 10. REPORTS.

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**SECTION 1. GENERAL.***A. Background.*

The Tribal Council exercises all sovereign powers delegated through the Pueblo of Laguna (POL) Constitution. These include the responsibility to promote and protect the public health and welfare of the members and other residents of the Pueblo, see to the general welfare of the Pueblo of Laguna, to establish salaries, per diem rates, employment qualifications and benefits for Laguna Pueblo employees and Council members, and to appropriate funds of the Pueblo for any lawful purpose.

Consistent with these responsibilities, the Tribal Council makes provisions within this policy to ensure effective planning for the development and use of financial resources. It provides for effective processes for major financial decisions, budgets and appropriations, consistent with established and widely accepted practices regarding accounting cycles and budgeting that are carried out by governments.

The Tribal Council has adopted a two-year budget cycle to provide for general governmental services and activities, and for other purposes that promote the general welfare of the Tribe. The two-year budget cycle is established to lag and split the two-year term of office for Tribal Officers in order to support continuity of ongoing operations. This cycle is intended to ensure that each succession of Tribal leadership has appropriate time and processes to examine Tribal needs, plans, priorities and resources prior to developing budgets and spending priorities. This Policy also makes provisions for supplemental budgets and other appropriations of Tribal resources as considered necessary by the Tribal Council to promote Tribal goals.

The Tribal Council has traditionally sought to balance the use of available resources between current needs, represented by ongoing programs and services that require annual spending, while ensuring that consideration is given to development and savings of resources to assure opportunities and services for future generations. This principle of conserving, and making conservative use of Tribal resources is addressed in this Policy, requiring that conscious attention be given to addressing the balance between these two priorities.

The Tribal Council also recognizes that governmental services are ongoing in nature and that effective planning requires the consideration of multiple future years when making financial decisions and commitments. The Tribal Council therefore makes provisions within this Policy to ensure that budget planning, development, as well as all other major financial and financing decisions, take into consideration all appropriate information available regarding future year needs and resources, and established plans, priorities and commitments.

*B. Purpose.* The purpose of this Policy is to:

- (1) Establish clear institutional process and to delegate responsibilities in order to ensure decisions regarding the development and use of Tribal resources are well formed and consistent with established plans, goals and priorities established by the Tribal Council.

- (2) Ensure appropriate analysis and review of all major financial proposals, including projects, financing and investments in preparation for their consideration by the Tribal Council.
- (3) Ensure continuity of governmental operations and services.
- (4) Ensure the principal of conservation of resources is maintained in the planning and use of Tribal resources.
- (5) Set forth standard procedures, timeframes, responsibilities and authorities to ensure appropriate integration of financial planning and strategies, fiscal policies, budgets and all related financial decisions.

*C. Definitions.* As utilized herein, the following terms shall mean:

- (1) *Tribal Council:* The Tribal Council of the Pueblo of Laguna.
- (2) *Tribal Management:* The Governor, Treasurer and the Secretary of the Pueblo of Laguna.
- (3) *Tribe:* The Pueblo of Laguna.
- (4) *Treasurer:* The Treasurer of the Pueblo of Laguna.
- (5) *Investment Committee:* A committee consisting of the Treasurer and five members at large, selected by the Tribal Council.
- (6) *Governor:* The Governor of the Pueblo of Laguna.
- (7) *Tribal Secretary:* The Secretary of the Pueblo of Laguna.
- (8) *Office of the Special Trustee:* Within the U.S. Department of the Interior, the Special Trustee provides management oversight over the Office of Trust Funds Management. The primary office is located in Washington, D.C.
- (9) *Office of Trust Funds Management:* Within the U.S. Department of the Interior, under the management of the Office of the Special Trustee, the Office of Trust Funds Management is the office responsible for the collection, accounting, investment and reporting for amounts held in trust by the United States Government for the benefit of the Pueblo of Laguna. The primary office is located in Albuquerque, New Mexico.
- (10) *Tribal Entities:* Subordinate organizations chartered by the Tribal Council, pursuant to Article IV Section 2 (i) of the constitution, including both non-profit and profit making entities.
- (11) *Budget and Finance Committee:* A legislative oversight committee of the Tribal Council, authorized pursuant to this policy to recommend annual spending levels and to review the Governor's budget recommendations and to make recommendations related thereto prior to Tribal Council action as set forth herein, and to review and

make recommendations regarding any major financial proposal. The Committee shall also provide oversight and recommendations related to financial management, accounting, audit and financial reporting.

The Committee shall consist of the Governor, Secretary and Treasurer of the Pueblo of Laguna, and one Tribal Council representative from each Village appointed by the Tribal Council in consultation with the elected Tribal Council members from each respective village. If the appointed member of a village is not available, one of the other two representatives of the village shall serve as alternate. The Secretary shall provide for the correspondence and records of the Committee. Committee meetings shall be noticed and open to all Tribal Council members. The Chief Financial Officer and such other employees as the Governor shall direct shall be in attendance at Committee meetings. The Governor shall chair the Committee. In the Governor's absence, the Treasurer shall chair the Committee.

- (12) *Governmental Operations*: All operations and activities of the Pueblo of Laguna under the jurisdiction of the Tribal Council except those operations and activities of Tribal entities as defined above.
- (13) *Chief Financial Officer*: The senior financial management employee, responsible for the total management of the Pueblo of Laguna tribal government financial management activities.

## SECTION 2. JURISDICTION.

A. *Applicability*. This Policy applies to all Pueblo of Laguna governmental operations as defined in Section 1 (12) and to Tribal entities as described in Section 4 of this Policy.

B. *Responsibility for implementation*. Responsibility for developing and recommending budget and appropriations, and for implementation of budgets rests with the Governor, as the Chief Executive Officer of the Pueblo. The Governor is assisted and advised by the Treasurer, Secretary, Staff Officers, employees and Committees as outlined herein.

## SECTION 3. FINANCIAL PLANNING.

A. Information relevant to the Pueblo of Laguna's financial plans and priorities shall be published during May and December. The December publications shall be made in conjunction with the adoption of the annual budget.

B. Information to be incorporated within publications shall include:

- (1) All relevant issues related to Pueblo of Laguna's finances;
- (2) Projections of revenue, budget estimates and fund balances for all significant funds for the next five years;
- (3) Summary information related to existing and contemplated debt and borrowing;
- (4) Highlights of major established plans and priorities, including identified costs associated therewith;

- (5) Identification of all major funds and related financial policies;
- (6) Statistical information and trends including historical financial and programmatic information;
- (7) Current financial forecasts available from Tribal entities.

C. The Governor shall convene the Tribal Council, non-elected members of pertinent committees, including the Program Evaluation, Investment and Budget and Finance Committees, representatives of POL entities and key managers to exchange information and to review plans, priorities and strategies during the months of June through August.

D. Based on information and strategies developed during the June through August timeframe, the Governor shall recommend for adoption by the Tribal Council, updated goals, priorities, strategies and action plans by the end of August.

E. Based on adopted goals, priorities and action plans, the Governor shall proceed with the development of budgets, policies, agreements and actions for approval of the Tribal Council.

#### **SECTION 4. ENTITY FINANCIAL FORECASTS.**

A. Tribal for-profit entities shall be required to submit financial forecast information to the Governor, through the Treasurer, by August 1 of each year for the purpose of supporting the preparation of Tribal budgets and informing the Tribal Council regarding the overall Tribal operations. Forecast information shall consist of summary level estimates for the following year and four subsequent years, representing a five-year cycle, with the format to include projected balance sheet, income statements and statements of cash flow, and shall include:

- (1) Discussion of major plans, priorities and assumptions;
- (2) Borrowing and debt levels;
- (3) Principal payments;
- (4) Depreciation and amortization (non cash expenses);
- (5) Major capital replacement, acquisition or investments, including information related to projected and/or proposed land purchases;
- (6) Increases or decreases in reserves;
- (7) Estimated divided distribution to POL;
- (8) Estimated venture capital contributions (if any) recommended for infusion by POL;
- (9) Estimated taxes, fees and other payments to POL or POL entities;
- (10) Other information that is recommended by the Treasurer and approved by the Tribal Council.

B. Tribal non-profit entities shall be required to submit financial forecast information to the Governor, through the Treasurer, by August 1 of each year for the purpose of supporting preparation of the Tribal budgets and informing the Tribal Council regarding overall Tribal

operations. Forecast information shall consist of summary level estimates for the following year and four subsequent years, representing a five-year cycle, with the format to include projected balance sheet, statements of income and fund balances, and shall include:

- (1) Discussion of major plans, priorities and assumptions;
- (2) Borrowing and debt levels;
- (3) Principal payments;
- (4) Depreciation and amortization (non cash expenses);
- (5) Major capital replacement, acquisition or investments;
- (6) Increases or decreases in reserves;
- (7) Estimates of any program subsidies requested from POL, including any matching funds for existing or projected grants, for the forecast years;
- (8) Estimated taxes, fees and other payments to POL or POL entities;
- (9) Other information that is recommended by the Treasurer and approved by the Tribal Council.

#### **SECTION 5. BUDGET DEVELOPMENT.**

A. *Budget Period.* The budget period and cycle shall be based on the calendar year (January 1 through December 31), provided that budgets shall be prepared and adopted for each two-year period beginning with an even numbered year.

B. *Uniform Budget System.*

- (1) There shall be an automated uniform budget planning system to be utilized for all operations. This system shall include the uniform budget categories and account codes to interface with accounting and cost allocation systems to ensure that informative reporting and analysis can occur at various reporting levels with efficiency and reliability.
- (2) Managers shall coordinate with the Chief Financial Officer to ensure that they utilize as many cost centers as are appropriate to properly segregate and budget costs by program, function or service.
- (3) Managers shall account for items of cost, within each cost center, at least in the following detail:
  - (a) Personnel costs;
    - (i) Each personnel position shall be budgeted individually within budget information for internal use, but shall not be for public information.
    - (ii) Payroll taxes, workers compensation insurance and employee fringe benefits, in aggregate for the cost center.
  - (b) Operating and other expenditures at the level defined within cost allocation policies.

- (c) Revenue, by source and purpose.

*C. Budget Development Responsibilities.*

- (1) Primary responsibility for recommending and implementing budgets and appropriations shall rest with the Governor.
- (2) The Budget and Finance Committee shall recommend spending levels and shall review the Governor's recommended budget and make recommendations for changes on behalf of the Tribal Council.
- (3) Process administration and support are the responsibility of the Chief Financial Officer who shall provide for the following:
  - (a) Initial revenue and budget estimates shall include revenues to all funds from all sources. Assumptions and sources of information made available shall be provided in sufficient detail as to allow the Governor to make informed judgments about the amounts to be available for the coming year. A comparison to the current year estimates shall be provided. These estimates shall be provided by May 31 of each year to be utilized by the Tribal Council and Management in planning and determining priorities. Such estimates shall include information related to the cost of maintaining ongoing programs and services at their existing level, including estimated inflationary adjustments that may be needed for salaries and other costs.
  - (b) Revised revenue and budget estimates shall include the information provided above, updated for changes in circumstances and amounts. These are provided to the Governor by August 15 of each year to be utilized by the Budget and Finance Committee and the Governor in determining the spending levels and overall amounts of budgets to be recommended.
  - (c) Budget instructions and target allowances shall be provided to managers and program directors by September 1 as follows:
    - (i) Budget Instructions: Instructions which include information required for budget planning and development, shall be furnished to each manager or program director who is responsible for preparing a budget, through the appropriate line official. These instructions shall include detailed schedule information, cost information, forms and materials needed by managers or program directors to complete preparation of budgets.
    - (ii) Target Allowances: Based on instructions from the Governor, target allowances shall be the upper limit of the budget proposals (appropriation request) to be submitted by each respective manager or program director, and shall consider the Budget Base Funding Amount and such other adjustments (increases or decreases) as the Governor shall authorize. The Budget Base Funding Amount shall be the calculated costs of continuing ongoing services for the coming years, consistent with current services, reduced or increased as appropriate for any non-recurring costs, inflation-



ary adjustments or other adjustments as directed by the Governor. These shall be prepared in consultation with respective managers and program directors to ensure all ongoing costs are considered.

- (4) Program budgets shall be developed by appropriate line officials, managers and program directors:
  - (a) A manager or program director shall bring to the attention of his/her line supervisor and the Chief Financial Officer, for their consideration, any identified discrepancies in the calculation of target allowances by September 15 of each year. The senior line official and the Chief Financial Officer shall consider the information and recommend adjustments to target allowances, if appropriate. Absent an approved change in the target allowance, budget proposals shall be prepared consistent with target allowances issued.
  - (b) Each manager who is responsible for a specific budget(s) shall determine the financial requirements to carry out the services to be provided, and shall develop and submit proposed budgets, in such format as shall be contained in annual budget instructions, according to such time frames as are contained therein. In the development of the budget, each manager is expected to seek the advice and input from any Tribal commission and committee, which has oversight responsibilities pertaining to the program area for which the manager is responsible.
  - (c) Proposed budgets shall be submitted to the appropriate line official by September 30. The Chief Financial Officer shall meet with all appropriate managers and staff as needed for the purpose of assisting with and coordinating the use of the budget system and budget materials.
  - (d) Line officials shall complete their review and adjustment of budget proposals under their supervision and submit completed budget proposals to the Governor, through the Chief Financial Officer, by October 15.
- (5) Budgets for the Tribal Council shall be prepared by the Treasurer with input from the Tribal Council.

*D. Budget development schedule.* The following schedule shall apply to all governmental operations and entities during odd numbered years in developing two-year budgets. Unless the Governor has authorized a different schedule, all managers assigned responsibility for budgets shall ensure that all time frames are complied with. This schedule shall apply to bi-annual preparation of budgets covering each two-year budget period. The Governor may prescribe appropriate budget schedules for the preparation of supplemental budgets covering the second year of the budget period.

- (a) The Chief Financial Officer shall develop initial revenue estimates not later than May 31.
- (b) Tribal Entities shall submit forecasts as described in this Policy by August 1.
- (c) Updated revenue and budget estimates shall be submitted to the Governor and the Budget and Finance Committee by August 15.

- (d) The Budget and Finance Committee shall recommend spending levels by August 31.
- (e) Proposed budgets shall be submitted to the Governor by October 15.
- (f) The Governor shall submit the recommended budget and financial plan to the Budget and Finance Committee by November 1 and shall schedule reviews with the Budget and Finance Committee during the month of November.
- (g) The Budget and Finance Committee shall review the budget and financial plan and make recommendations for changes by November 30.
- (h) The Governor shall submit the recommended budget and financial plan to the Tribal Council and schedule it for adoption by December 15.
- (i) Budget Allocations (approved program budgets) related to all funds shall be issued to all managers not later than the first working day in January.
- (j) To the extent that the Tribal Council has not completed its deliberation on the budget by the end of the Calendar Year, the Governor shall present for adoption by the Tribal Council, a continuing resolution to authorize expenditures to maintain existing ongoing services at the level authorized for the previous year, or at another level if specified in the resolution.

#### **SECTION 6. BUDGET SUBMISSION.**

The budget and financial plan for each two-year budget period submitted by the Governor shall incorporate;

- A. Budgets covering two calendar years with the first year of each two-year budget to coincide with the beginning of each even numbered year (i.e.: 2006).
- B. A statement or statements regarding the overall financial health of the Pueblo of Laguna.
- C. Highlights memorializing the intent of the Tribal Council as outlined in the background and purpose of this Policy.
- D. Description of how the budget balances current services and the needs of future generations, and applies the principal of conservation of Tribal resources.
- E. Identification of key initiatives and strategies and their relationship to stated goals and priorities established by the Tribal Council.
- F. Separate budget information and budget authority for each separate fund, including implementation instructions and administrative provisions deemed appropriate.
- G. Separately depicted budget amounts reflecting the necessary costs of ongoing services from major capital assets, investments, reserves and other major non-cyclical budget items.
- H. Revenue and budget estimates for the 2 year budget period and three subsequent years.

- I. By attachment, appropriate information and statistics related to pertinent goals, priorities and budgets.

## **SECTION 7. SUPPLEMENTAL BUDGET SUBMISSION.**

Prior to the end of the first calendar year of each two-year budget cycle, and based on the review schedule utilized in preparation and review of the two-year budget, the Governor shall submit an updated budget and financial plan. In addition to the information provided in Section 6, the Supplemental Budget shall incorporate:

- A. Updated projections of revenue and expenditures, including estimated final outlays for the first year of the budget period.
- B. Recommended amendments to the budget and appropriations, if deemed necessary, based on changes to revenue or expense projections, or other needs not adequately addressed by the budget.
- C. Identification of any major financial commitments or actions taken and their effect on Tribal resources during the budget and financial projection period.

## **SECTION 8. BUDGET IMPLEMENTATION.**

A. *Authority to expend funds.* Authority to obligate and expend funds is hereby delegated to the Governor for all approved and appropriated budgets during the period of budget authorization. Managers and program directors may be delegated authority, as determined by the Governor, to authorize obligation and expenditure of funds from his/her respective budget(s).

### *B. Budget Variances.*

- (1) Budgets for the operations assigned to each manager are plans, and may be adjusted within the total amount of funds provided for within each cost center, provided that any variance from the approved budget, which involves the internal shifting in excess of 10% of the total budget of such cost center, shall require approval of the Governor, and further provided that:
  - (a) Whenever revenue received pursuant to a contract or grant exceeds the amount which was reflected in the approved budget, for a program in which appropriations of Tribal or Self-Determination funds have been authorized, such amount shall be utilized to offset the requirement for Tribal or Self-Determination appropriations, and shall not be available to increase overall expenditures unless otherwise authorized by the Treasurer;
  - (b) The transfer of budget authority from one budget to another shall require approval of the Governor, after administrative and financial review;
  - (c) The transfer of budget authority from one fund to another shall require approval of the Tribal Council after administrative and financial review;

- (d) Reports regarding budget transfers made pursuant to this section shall be submitted to the Governor and Tribal Council through the Treasurer.

*C. Availability of Appropriations.*

- (1) Amounts appropriated pursuant to annual budget shall remain available only for the period of the annual budget except as provided herein and within any additional conditions or administrative provisions contained within the authorizing policy for the fund involved, the budget, and/or those of any applicable outside funding sources, provided that:
  - (a) Amounts appropriated or obligated for specific purposes, other than ongoing operations, shall remain available for expenditure only for that specific purpose. When a specific purpose has been completed, the authority to expend any unexpended amounts associated with that specific purpose shall lapse. Incomplete purposes, or, ambiguities or disagreements regarding incomplete purposes shall be resolved as follows:
    - (i) The Chief Financial Officer shall determine the availability of appropriations for incomplete purposes consistent with this policy.
    - (ii) Ambiguity or disagreement regarding the availability of appropriations for incomplete purposes shall be resolved by the Treasurer.
  - (b) Budget authority associated with amounts of unexpended appropriations which are not authorized for carry over pursuant to (1) above shall lapse, and such amounts shall be available or re-appropriation by resolution of the Tribal Council.
  - (c) The annual budget shall incorporate an amount for contingencies to provide for unforeseen needs that arise during the budget year.
    - (i) Contingencies shall consist of unplanned expenditures during the year that result from Tribal Council approval of projects or contracts that do not specify a budget source or from unexpected but necessary costs, or revenue shortfalls, including non-recurring program enhancements, recommended by the Governor.
    - (ii) Requests for non-recurring program enhancements shall be submitted for recommendation of the Governor through the Chief Financial Officer.
    - (iii) The Governor shall consider all potential needs and uses of contingency funds in determining priorities and amounts to be authorized.
    - (iv) Approval by the Governor for use of contingency authority shall not require additional Tribal Council approval to the extent that authority has been provided pursuant to Tribal budget.
    - (v) The Chief Financial Officer shall report to the Treasurer who shall advise the Tribal Council regarding the amounts and authorized uses of contingency.

- (d) Amounts authorized pursuant to (a) and (c) above shall be added to the total budget authority for the subsequent year and authorized purposes shall retain their identity from subsequent year appropriations.
- (2) Amounts appropriated for transfer to other funds shall be transferred effective the beginning of the Calendar/Fiscal Year, unless otherwise directed by the Treasurer, provided that amounts not transferred effective the beginning of the Calendar/Fiscal Year shall remain available until transferred, and shall be automatically carried forward unless otherwise directed by the Treasurer.
- (3) Approval by the Tribal Council of specific contracts or grants shall constitute appropriation and authority on the part of the Treasurer to modify the budget accordingly, when such award is available for expenditure. When submitted to the Tribal Council, all budgets included with such contracts or grants must clearly identify all special financial considerations including:
  - (a) Match requirements and funding source(s) of match;
  - (b) Cash flow considerations;
  - (c) Reserve fund and guarantee requirements.
- (4) Budget authority associated with appropriation of projected revenues from outside sources, including grants, contracts, user fees, etc., shall be limited to the amounts of revenue actually realized, where such appropriations are from funds other than the General Fund.

*D. Transfers between the Per Capita Distribution Fund and the General Fund pursuant to Article X of the Constitution shall be administered as follows:*

- (1) Excess General Fund revenues over expenditures shall include annual revenues less the sum of total of expenditures made pursuant to the budget. For the purpose of this transfer, the total expenditures shall include amounts budgeted and transferred to other funds for specific purposes, such as capital projects, permanent fund contributions, etc.
- (2) It shall be the objective of the Tribal Council to avoid appropriating for expenditure amounts in excess of the amounts of revenues available for that year, provided that:
  - (a) The Tribal Council may from time to time designate accumulated balances within the General Fund for transfer to another fund, or entity, for investment or for major projects. The obligation of accumulated undesignated fund balances for such purposes shall not constitute expenditures for the purpose of Article X of the Constitution.

## **SECTION 9. EVALUATION OF MAJOR FINANCIAL PROPOSALS.**

A. For the purpose of this Section, major financial proposals shall include:

- (1) Capital projects, including those financed by grants, requiring Tribal capital for construction, and/or those requiring ongoing annual appropriations for operational costs.

- (2) Investments in economic ventures, including contribution of additional capital to existing for profit enterprises, for the purpose of creating employment, commerce and/or net revenues for the Pueblo of Laguna.
- (3) Transfers to long-term endowments or permanent funds for the purpose of financing future needs of the Pueblo of Laguna.
- (4) Land acquisition, by the Pueblo of Laguna, excluding those made by a Pueblo of Laguna entity pursuant to authority provided by its charter.
- (5) The establishment of significant new services, benefits or operations that will require ongoing annual commitments to continue in the future.
- (6) The creation of any new use of the Pueblo of Laguna's taxing powers, or consideration of new fees in lieu thereof and the potential uses of such revenues.
- (7) Leases of rights-of-way over Pueblo of Laguna lands or assets by outside parties, or long-term commitment of Tribal lands to Tribal entities for economic or other purposes.
- (8) Any major financing of the Pueblo of Laguna or the pledge of Tribal assets or revenues to secure financing for any entity of the Pueblo of Laguna.

B. The Governor, assisted by the Treasurer, Chief Financial Officer and such other employees and experts as are deemed appropriate shall prepare or have prepared written analysis of all major financial proposals. To ensure the accuracy, completeness and reasonableness of proposals under consideration, such analysis shall be accompanied by an evaluation of:

- (1) The relationship of the proposal to established Tribal goals, plans and priorities, including the impact of implementation of such proposal on the Tribe's ability to consider other established priorities.
- (2) The range of potential impacts, both positive and negative, of such proposal on future revenues.
- (3) The required annual budgetary requirements for the foreseeable future related to the proposal.

C. Prior to presentation of any major financial proposal to the Tribal Council, the Governor shall review such proposal and analysis related thereto with the Budget and Finance Committee, to obtain input and guidance.

D. The Budget and Finance Committee shall be responsible to review proposals and to seek clarification and additional analysis as deemed appropriate to advise the Governor, and shall give consideration to the proposal in light of established Tribal goals, plans and priorities. The Committee shall make recommendations to the Tribal Council regarding proposals that are presented for consideration.

## SECTION 10. REPORTS.

### A. *Monthly Reports.*

- (1) The Chief Financial Officer shall provide a written monthly report to the Governor and Treasurer on or about the 20th day following the end of each calendar month, which shall reflect the amounts provided for in the adopted budget, as adjusted by additions, carryovers and other adjustments, in detail, and the amounts of expenditures made against such appropriations.
- (2) The Chief Financial Officer shall provide such other information on a monthly basis as is considered necessary for the proper administration of budgets.

### B. *Quarterly Reports.*

- (1) The Chief Financial Officer shall present a formal financial and budget status report to the Governor and Treasurer on or before the 30th day after the end of each calendar quarter.
- (2) Recommended budget modifications requiring Tribal Council actions and reports of other budget actions shall be submitted as part of quarterly budget reports.

### C. *Reports of variances.*

- (1) *Quarterly Reports:* Any manager who is responsible for administering budget(s) shall report, in writing, to the Governor and Chief Financial Officer on any significant variances, (over or under expenditures) within 45 days after the end of each calendar quarter.
- (2) *Anticipated Overruns:* At any time that a manager has reason to believe that the total amount to be expended will exceed the total amount appropriated for any cost center, including under-collection of projected revenues, such manager shall immediately bring the matter to the attention of the Chief Financial Officer, in writing, and propose strategies for alleviating such overruns. The Chief Financial Officer shall notify the Governor and Treasurer of any such occurrence and corrective action taken. The situation may be remedied as follows:
  - (a) The Governor may approve additional budget authority pursuant to Subsection (c)(1)(B) of Section 7, or may, in his/her discretion, recommend additional appropriations to the Tribal Council.
  - (b) Absent additional budget authority, from the Governor, the Manager shall take appropriate action to reduce expenditures to the amounts authorized.

D. Entities' changes in estimates shall be reported to the Governor when such changes are expected to have a material impact on the Tribal revenues or budget.

### E. *Other Reports.*

- (1) The Chief Financial Officer shall provide other reports as needed by managers to administer budgets.

- (2) Upon receipt of audited financial statements, the Chief Financial Officer shall submit a report of the amounts and purposes of budget authority carried forward from the previous year to the Governor and Treasurer, with copies to the Tribal Council.